GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2085
ANSWERED ON:11.12.2015
Repo Rate Inflation
Gopal Dr. K.

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has cut the repo rate by 125 basis point since January 2015; and

(b) if so, the impact of the said rate cut on inflation, growth and price stability?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) Yes, Madam.

(b) The changes in the repo rate by the Reserve Bank of India (RBI) take time to impact the economy and are aimed at securing a sustainable growth path over the medium term. The cuts in the repo rate since January 2015 are expected to boost investment and consumption and manage inflation within a comfortable band .